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HOUSE BILL 2586

State of Washington 54th Legislature 1996 Regular Session

By Representatives McMorris, Romero, Chopp, Conway and Cody; by request of Employment Security Department

Read first time 01/15/96. Referred to Committee on Commerce & Labor.

- 1 AN ACT Relating to employer sponsored programs for voluntary work
- 2 force reductions; amending RCW 50.20.050; creating new sections; and
- 3 declaring an emergency.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 NEW SECTION. Sec. 1. The legislature finds that:
- 6 (1) Many employers are reducing costs or restructuring their
- 7 businesses through strategies that include work force reductions;
- 8 (2) When programs such as employer sponsored voluntary layoffs are
- 9 successful, involuntary layoffs can sometimes be avoided altogether;
- 10 and
- 11 (3) Voluntary participation in an employer initiated work force
- 12 reduction process should not disqualify an unemployed worker from
- 13 unemployment insurance benefits.
- 14 **Sec. 2.** RCW 50.20.050 and 1993 c 483 s 8 are each amended to read
- 15 as follows:
- 16 (1) An individual shall be disqualified from benefits beginning
- 17 with the first day of the calendar week in which he or she has left
- 18 work voluntarily without good cause and thereafter for five calendar

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- weeks and until he or she has obtained bona fide work and earned wages equal to five times his or her weekly benefit amount.
- The disqualification shall continue if the work obtained is a mere sham to qualify for benefits and is not bona fide work. In determining whether work is of a bona fide nature, the commissioner shall consider factors including but not limited to the following:
 - (a) The duration of the work;

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- 8 (b) The extent of direction and control by the employer over the 9 work; and
- 10 (c) The level of skill required for the work in light of the 11 individual's training and experience.
- 12 (2) An individual shall not be considered to have left work 13 voluntarily without good cause when:
- 14 (a) He or she has left work to accept a bona fide offer of bona 15 fide work as described in subsection (1) of this section;
- (b) The separation was because of the illness or disability of the 16 claimant or the death, illness, or disability of a member of the 17 claimant's immediate family if the claimant took all reasonable 18 19 precautions, in accordance with any regulations that the commissioner may prescribe, to protect his or her employment status by having 20 promptly notified the employer of the reason for the absence and by 21 having promptly requested reemployment when again able to assume 22 employment: PROVIDED, That these precautions need not have been taken 23 24 when they would have been a futile act, including those instances when 25 the futility of the act was a result of a recognized labor/management 26 dispatch system; ((or))
- (c) He or she has left work to relocate for the spouse's employment that is outside the existing labor market area if the claimant remained employed as long as was reasonable prior to the move; or
 - (d) He or she left work under the following conditions:
- (i) The employer initiated a work force reduction program or process that involves voluntary layoff or voluntary retirement and may include financial or other inducements; and
- (ii) The individual volunteered to be included in the layoff or reduction-in-force or volunteered to participate in the employer's layoff or retirement program; and
- 37 <u>(iii) The employer retained discretion over which individuals are</u> 38 released; and
- 39 <u>(iv) The employer accordingly released the individual</u>.

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- (3) In determining under this section whether an individual has 1 2 left work voluntarily without good cause, the commissioner shall only 3 consider work-connected factors such as the degree of risk involved to 4 the individual's health, safety, and morals, the individual's physical 5 fitness for the work, the individual's ability to perform the work, and such other work connected factors as the commissioner may deem 6 7 pertinent, including state and national emergencies. Good cause shall 8 not be established for voluntarily leaving work because of its distance 9 from an individual's residence where the distance was known to the 10 individual at the time he or she accepted the employment and where, in the judgment of the department, the distance is customarily traveled by 11 workers in the individual's job classification and labor market, nor 12 13 because of any other significant work factor which was generally known and present at the time he or she accepted employment, unless the 14 15 related circumstances have so changed as to amount to a substantial 16 involuntary deterioration of the work factor or unless the commissioner 17 determines that other related circumstances would work an unreasonable hardship on the individual were he or she required to continue in the 18 19 employment.
 - (4) Subsections (1) and (3) of this section shall not apply to an individual whose marital status or domestic responsibilities cause him or her to leave employment. Such an individual shall not be eligible for unemployment insurance benefits beginning with the first day of the calendar week in which he or she left work and thereafter for five calendar weeks and until he or she has requalified, either by obtaining bona fide work and earning wages equal to five times his or her weekly benefit amount or by reporting in person to the department during ten different calendar weeks and certifying on each occasion that he or she is ready, able, and willing to immediately accept any suitable work which may be offered, is actively seeking work pursuant to customary trade practices, and is utilizing such employment counseling and placement services as are available through the department. This subsection does not apply to individuals covered by subsection (2) (b) or (c) of this section.

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NEW SECTION. **Sec. 3.** If any part of this act is found to be in conflict with federal requirements that are a prescribed condition to the allocation of federal funds to the state or the eligibility of employers in this state for federal unemployment tax credits, the

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- conflicting part of this act is hereby declared to be inoperative solely to the extent of the conflict, and such finding or determination shall not affect the operation of the remainder of this act. The rules under this act shall meet federal requirements that are a necessary condition to the receipt of federal funds by the state or the granting of federal unemployment tax credits to employers in this state.
- NEW SECTION. Sec. 4. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and shall take effect immediately and shall apply to separations from employment on or after the effective date of this act.

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